

News Release

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Entergy Arkansas Remains Focused on Steps to Join MISO

August 3 APSC Order Maps Out Path

LITTLE ROCK, Ark. – Entergy Arkansas, Inc. remains focused on completing the steps to join the Midwest Independent Transmission System Operator, or MISO, after the Arkansas Public Service Commission issued an order Friday that laid out conditions for Entergy Arkansas to join the regional transmission organization.

“Friday’s order defined several conditions that Entergy Arkansas and MISO must meet before the Commission will authorize the integration,” said Hugh McDonald, president and chief executive officer of Entergy Arkansas, Inc. “Most of these conditions Entergy Arkansas and MISO have already agreed to as reasonable and appropriate. However, it introduced some conditions that are of concern to the company.

“Two things are clear,” McDonald emphasized. “One, we continue to be completely committed to our proposal to join MISO by December 2013—the arrangement that, per our analysis and that of independent consultants, best ensures the long-term reliability and affordability of electricity for our customers. And two, we’re committed to working with the Commission to attempt to address their concerns. There’s certainly more work to be done, and

while we're still defining just what the next steps are, we are squarely focused on securing the benefits of MISO membership for our customers.”

Driving the issue and Entergy Arkansas' sense of urgency is the decision announced more than six years ago to leave the contract governing power coordination with the other Entergy utilities in December 2013. By that time, Entergy Arkansas must have in place alternate processes required to operate its electric system.

Extensive analysis completed by the Entergy utilities and confirmed by outside consultants has shown that MISO is the best available option for the company and its customers. In filed testimony and hearings at the APSC, nearly every party to the matter supported or did not oppose Entergy Arkansas' move to MISO.

Moreover, interveners in the case included large industrial groups, the Arkansas Attorney General's office, municipalities, the Arkansas electric cooperatives and independent power producers either supported or did not oppose Entergy Arkansas' proposal to join MISO. Collectively, Entergy Arkansas and the utilities in this group serve more than 80 percent of Arkansas' electricity consumers.

The analysis projected that joining MISO would save Arkansas electric customers \$263 million on a net present value basis based on a study period of 2013 to 2022, as well as improve reliability and provide for more competitive and diverse generation resources.

The projected savings are largely attributable to MISO's organized power markets, which allow for a more efficient commitment and dispatch of generating plants, to economies of scale offered by an RTO of MISO's size, and to MISO's transmission cost allocation methodology that more equitably allocates costs to those receiving the benefits.

“We *are* going to get this right and make it work,” McDonald added. “We have worked hard to reach this point and demonstrate that membership in MISO is in the best interests of our customers, our communities and our state. The procedural steps and process still have to be worked out, but we are going to do the right thing for our customers.”

Entergy Arkansas, Inc. provides electricity to more than 692,000 customers in 63 counties. It is a subsidiary of Entergy Corporation. Entergy Corporation is an integrated energy company engaged primarily in electric power production and retail distribution operations. Entergy utilities own and operate power plants with approximately 30,000 megawatts of electric generating capacity, including more than 10,000 megawatts of nuclear power, making it one of the nation’s leading nuclear generators. Entergy utilities deliver electricity to 2.8 million utility customers in Arkansas, Louisiana, Mississippi and Texas. Entergy Corporation has annual revenues of more than \$11 billion and approximately 15,000 employees.

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Forward-looking statements involve a number of risks and uncertainties. There are factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements, including (a) those factors discussed in: (i) Entergy Corporation’s Form 10-K for the year ended December 31, 2011; (ii) Entergy Corporation’s Form 10-Q for the quarter ended March 31, 2012; and (iii) Entergy Corporation’s other reports and filings made under the Securities Exchange Act of 1934; (b) uncertainties associated with rate proceedings, formula rate plans and other cost recovery mechanisms; (c) uncertainties associated with efforts to remediate the effects of major storms and recover related restoration costs; (d) nuclear plant relicensing, operating and regulatory risks, including any changes resulting from the nuclear crisis in Japan following its catastrophic earthquake and tsunami; (e) legislative and regulatory actions and risks and uncertainties associated with claims or litigation by or

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